November 15, 2013

Katie Madonia, CPA Director of Financial Reporting Illinois Office of the Comptroller

Dear Ms. Madonia,

Pursuant to 15 ILCS 405/19.5, and to the letter from your Office dated 11/04/13, CMS is submitting a response and corrective action plan related to certain outstanding FY13 CAFR information.

CMS is committed to timely financial reporting. All of our FY13 GAAP packages and financial statements were, as always, submitted to the Comptroller on time. The OPEB valuations cited in your letter are performed by a 3rd party actuary under contract with SERS. While some of the data required to complete these valuations comes from CMS, the majority of the data comes from the five retirement systems. Not all of the retirement system data has been submitted to the actuary in a timely fashion, hampering the timeline for completion of the OPEB valuations.

Although CMS cannot directly control the outcome, we have aggressively pursued and coordinated data sharing between the retirement systems and the actuary. We have also performed our part of the data reviews in a timely fashion.

The current timeline for the anticipated completion of the OPEB valuations is attached. We will provide updates to this timeline as they become available.

Sincerely,

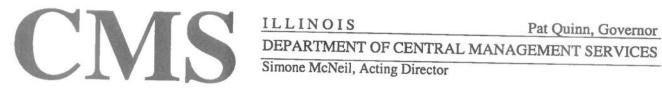
Simone McNeil

Acting Director, CMS

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Cc:

Pat Quinn, Governor Michael J. Madigan, Speaker of the House Jim Durkin, House Minority Leader John J. Cullerton, Senate President Christine Radogno, Senate Minority Leader William G. Holland, Auditor General



OPEB TIMELINE		REVISED (11/15/2013)
Task	Performed by	Complete by
Conference call kick-off meeting to discuss data requirements, assumptions, deliverables	GRS, CMS, SRS/SURS/TRS	Completed
Deliver claims data, healthcare information, and premium updates to GRS	CMS	9/9/2013 Completed
Deliver census data to GRS	SRS SURS TRS	8/17/2013 8/13/2013 10/04/2013 Completed
Deliver demographic data to GRS	SRS SURS TRS	8/17/2013 8/13/2013 10/29/2013 Completed
Deliver valuation reports to GRS	SRS SURS TRS	8/17/2013 8/13/2013 TBD
Deliver healthcare census data to GRS	CMS	9/3/2013 Completed
Review and update Summary of Principal Plan Provisions	CMS and GRS	11/22/2013
Review and reconcile census data	GRS, CMS, SRS/SURS/TRS	11/5/2013 Completed
Resolve all data questions	GRS, CMS, SRS/SURS/TRS	11/8/2013 Completed
Deliver asset data to GRS	CMS	10/2/2013 Completed
Deliver census listings to CMS	GRS	11/22/2013
Discuss and approve assumptions and report content	CMS and GRS	11/27/2013
Provide summary of preliminary valuation results and GASB exhibits and discuss with CMS	GRS and CMS	12/15/2013
Provide draft reports to CMS	GRS	12/21/2013
Provide final copy of report to CMS	GRS	TBD